

Report of Management on Compliance With the Merger Conditions

August 29, 2003

- d. On March 14, 2003, the Company filed its annual compliance report accurate to the best of its knowledge and belief at the time it was filed, which detailed its compliance with the Merger Conditions for the year ended December 31, 2002. With regards to the March 14, 2003 annual compliance report, the Company did not report the exception related to the annual minimum promotional budgets noted in paragraph 23.d., Condition 15 with respect to missed discounts in the SWBT region, or the exception noted in Paragraph 11.b.ii regarding the one instance in which a collocation availability inquiry was responded to one day late.

27. Independent Auditor

The Company complied with the requirements of this Condition in the following manner:

- a. SBC engaged E&Y to review its compliance with the Merger Conditions for 2002.
- b. SBC also engaged E&Y to perform an agreed-upon procedures engagement for the 12-month engagement period ended December 31, 2002 regarding the separate Advanced Services affiliate requirements contained in Condition 1 of the Merger Conditions. SBC granted the independent auditor access to all books, records, operations, and personnel for the audits.
- c. SBC granted the independent auditor access to all books, records, operations, and personnel for the audits.
- d. On September 3, 2002, SBC filed with the FCC E&Y's Report of Independent Accountants on SBC's Compliance with the Merger Conditions regarding the Company's compliance during the year ended December 31, 2001. Compliance with certain collocation requirements as modified by the Pronto Order was not included. On August 30, 2002, the Commission granted SBC an extension until October 18, 2002 to file a supplemental audit report regarding these collocation requirements. The Commission subsequently approved two additional extensions and the supplemental audit report was filed with the Commission on January 31, 2003.
- e. On September 3, 2002, SBC filed with the FCC the Auditor's Report of Independent Accountants on Applying Agreed-Upon Procedures for 2001 in accordance with the separate Advanced Services affiliate requirements in Condition 1 of the Merger Conditions. Compliance with certain collocation requirements as modified by the Pronto Order was not included with this audit report. On August 30, 2002, the Commission granted SBC an extension until October 18, 2002 to file a supplemental Agreed-Upon Procedures audit report regarding these collocation requirements. The Commission subsequently approved two additional extensions and the supplemental audit report was filed with the Commission on January 31, 2003.

28. Enforcement

The Company complied with the requirements of this Condition in the following manner:

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- a. As indicated in the response for Condition 7, SBC made voluntary payments to the U.S. Treasury during 2002 related to Carrier-to-Carrier performance measurement requirements.
- b. The FCC's Enforcement Bureau, in its Order of Forfeiture, File No. EB-00-1H-326a released May 24, 2001, alleged that SBC violated the Commission's rule regarding the timing of the internet posting of notices of premises that have run out of collocation space. On June 25, 2001, SBC filed an Application for Review with the Commission. The FCC, in its Order on Review, released February 25, 2002, affirmed the Enforcement Bureau's finding, but reduced the amount from \$94,500 to \$84,000. SBC paid the \$84,000 forfeiture via wire-transfer on March 27, 2002.
- c. The FCC's Enforcement Bureau, in its Notice of Apparent Liability for Forfeiture ("NAL"), File No. EB-01-1H-0030, released January 18, 2002 alleged that the Company did not provide shared transport in the Ameritech States under terms and conditions substantially similar to those that it offered in Texas as of August 27, 1999, in violation of the Merger Order. The Company filed a response with the Commission on March 5, 2002. On October 9, 2002, the FCC upheld the NAL in Forfeiture Order, File No. EB-01-IH-0030, and on November 8, 2002 the Company filed a Petition for Reconsideration with the FCC. The Company subsequently withdrew the Petition for Reconsideration and paid the amount assessed by the Forfeiture Order; however, the Company filed a Petition for Review of the Forfeiture Order in the U.S. Court of Appeals for the D.C. Circuit, *SBC Communications Inc. v. FCC*, No. 03-1118 (D.C. Cir. Filed Apr. 28, 2003). The Petition for Review is pending.

29. *Sunset*

Certain Merger Conditions met sunset during 2002. Conditions with an evaluation period shorter than, January 1, 2002 to December 31, 2002, met sunset at the later date of the evaluation period documented in Attachment C to this report.

30. *Effect of Conditions*

This Condition does not impose affirmative obligations on SBC, rather, it states the relationship of the Merger Conditions to state law, and vice versa. SBC followed this guidance in interpreting and applying the Merger Conditions.

Additional Information – Service Quality

The Merger Conditions require the independent accountant to attest to the accuracy and completeness of the performance data, including restated data, provided to telecommunications carriers and regulators under the Merger Conditions. Based on the FCC Staff's interpretation of the Merger Conditions, the term "performance data" applies to both Condition 7 and Condition 24. However, under the Company's interpretation of the Merger Conditions, the Company does not believe that the scope of the independent accountant's attestation engagement regarding the Company's compliance with the

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Merger Conditions applies to the accuracy and completeness of service quality data in conjunction with Condition 24, but rather applies only to the accuracy and completeness of performance measurement data provided to telecommunications carriers and regulators in conjunction with Condition 7, "Carrier-to-Carrier Performance Plan." Due to the differing interpretations noted above, the FCC Staff and the Company agreed that Ernst & Young would test and report on the accuracy and completeness of eight service quality measurements as selected by the FCC Staff calculated under the Business Rules for the Evaluation Period. The FCC Staff selected eight service quality measures as listed below for Ernst & Young to test and report on the accuracy and completeness for the Evaluation Period.

Repair – Basic Service

1. Line Number 300 – Number of closed trouble reports
2. Line Number 301 – Number of repeat trouble reports
3. Line Number 340 – Number of trouble reports coded "out of service"
4. Line Number 341 – Number of trouble reports coded "out of service" with receipt-to-clear duration less than or equal to 24 hours
5. Line Number 345 – Percent service restored within 24 hours
6. Line Number 360 – Number of reports with trouble disposition codes of found OK or test OK
7. Line Number 370 – Number of reports with trouble disposition codes of trouble found on the customer side of demarcation
8. Line Number 385 – Sum of duration of trouble reports

SBC has also performed an evaluation of the accuracy and completeness of the service quality measures in accordance with the Business Rules for the eight line items listed above for Evaluation Period. Based on this evaluation, we assert that service quality data for the eight reporting items above, for the Evaluation Period, was complete and accurate except for the instances disclosed below.

- a. The Company did not properly report disaggregation of service quality results between MSA and non-MSA for Pacific Bell in July 2002 and for the state of Michigan in April 2002 resulting in materially misstated results for non-MSA reported results.
- b. For Nevada Bell, trouble reports related to certain wire centers were improperly excluded from reported results as these wire centers were not coded as MSA or non-MSA resulting in errors in the eight measures.
- c. For Ameritech, the calculation of Line 385 was incorrect due to a programming error in the field that accumulates the receipt to clear time. The field truncates the hours from receipt time to clear time at three digits causing records that exceed 999 hours to be recorded incorrectly, resulting in the numerator used in the calculation of line 385 to be understated.
- d. For the state of Indiana, the Company improperly reported Lines 360 and 370 by reporting February 2002 results in place of the March 2002 results.

Additional Information - Complaints

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Ernst and Young's (E&Y) Report of Independent Accountants disclosed various formal complaints⁵ filed with the FCC or a state regulatory commission that were unresolved as of the date of the report. Those unresolved formal complaints that allege noncompliance with the Merger Conditions during the Evaluation Period are included in Attachment C to E&Y's Report of Independent Accountants except formal complaints that allege noncompliance related to a Merger Condition that have already been reported in E&Y's Report and reported herein. The Company disputes all of the formal complaints disclosed in Attachment C and contends that it has complied with the Merger Conditions in all instances.

Additional Information – March 20, 2003 Consent Decree

On March 20, 2003, the Company entered into a Consent Decree with the Enforcement Bureau regarding errors in certain of the data filed pursuant to Merger Condition 7. Section 1 of the Compliance Plan attached to the Consent Decree required the Company to have implemented enhancements to the controls and processes for managing the data reported monthly pursuant to Condition 7 within 45 days of the effective date of the Consent Decree. Section 2 of the Compliance Plan required the Company to establish a steering committee of senior management personnel Company within 45 days of the effective date of the Consent Decree. The Company's compliance with Sections 1 and 2 of the Compliance Plan is detailed in Attachment D to this Report.

⁵ The listing of formal complaints was compiled from the Company's internal records and supported through Ernst and Young's confirmation with FCC staff and state commissions through August 1, 2003.

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Date: 8/29/03

SBC Communications Inc.

By: 

Priscilla Hill-Ardoin

Senior Vice President – Regulatory Compliance

FCC Corporate Compliance Officer

Report of Management

Attachment A – Exceptions to Compliance - SBC

On March 20, 2003, the Enforcement Bureau of the FCC and SBC entered into an agreement that terminated an informal Bureau investigation into SBC's compliance with the Merger Conditions. The FCC order (DA 03-825) constitutes a final settlement between SBC and the Enforcement Bureau for performance measurement reporting issues during the evaluation period.

Below is a listing of exceptions to compliance with the business rules for 2002:

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
1	SBC Midwest Ordering ¹ 1	The last two days of April 2002 data were incorrectly excluded from results.	April 2002 results were restated in September 2002 to add data for the last two days of April 2002.
2	SBC Midwest Ordering 1	An incorrect clock interval was being used to calculate firm order confirmation ("FOC") hours when the start time and end time spanned two business days for the months of January through September 2002. Duplicate records from Local Service Ordering Guidelines ("LSOG") 5 were also included in results.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to address these issues. April 2002 through September 2002 results were restated in December 2002. Restatements prior to April 2002 are not required, as LSOG 5 was not implemented until April 2002.
3	SBC Midwest Ordering 1	April through August 2002 results misclassified certain loop orders processed through the Local Access Service Request system ("LASR") as auto/auto instead of auto/manual.	Effective with September 2002 results reported in October 2002, the Company updated the data extract mapping process to direct the auto/manual indicator on the affected loop orders from the source system to the reporting systems so that the orders could be correctly classified. Restatements are not planned. This issue is not applicable to January through March 2002.
4	SBC Midwest Ordering 1	February 2002 through April 2002 results for one submeasure, FOCs Returned within "X" hrs – Man Sub – Switch Ports – < 24 hrs, were not reported until the following month.	The Company posted results in a timely manner beginning with May 2002 data.
5	SBC Midwest	March 2002 results incorrectly classified	The Company restated March 2002 results in May 2002 to properly

¹ The term SBC Midwest refers to the Ameritech States, Illinois, Indiana, Michigan, Ohio and Wisconsin

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
	Ordering 1	certain non-POTS orders in the Unbundled Network Element – Platform (“UNE-P”) manual intervention submeasure when they should have been in the All Other manual intervention submeasure.	classify these orders.
6	SBC Midwest Ordering 1	During January through July 2002, the Company did not have the ability to track project due dates, and therefore orders submitted as a project were not included in results.	The Company restated April through July 2002 results in September 2002 to properly reflect projects in results.
7	SBC Midwest Ordering 1	The Company excluded local number portability (“LNP”) with loop orders in which the loop portion of the order was rejected and then later corrected for January through September 2002.	Effective with October 2002 results reported on November 20, 2002, the Company implemented new computer program code to include LNP with loop orders in which the loop portion of the order was rejected and then later corrected. August 2002 and September 2002 results were restated in December 2002 and January 2003. No restatements are planned for January through July 2002 results.
8	SNET Ordering 1	During the months of August through December 2002, Electronic Data Interchange (“EDI”) transactions with versions RLS52 and RLS53 were excluded, although they should have been included.	Effective with April 2003 results reported in May 2003, the Company implemented the revised computer program logic to include these transactions. A preliminary analysis of October and November data indicates that this may be material and SBC will restate August 2002 through March 2003 as required.
9	SNET Ordering 1	During the months of August through December 2002, Work Flow Manager (“WFM”) transactions with LSC_MARKET_OFFICE_CODE = AW were inappropriately excluded.	WFM was implemented in August 2002 but the CLECs began using it in November 2002. At that time, code was not implemented to include these transactions. A preliminary assessment of November 2002 indicates that this may be material. A change management request has been issued to correct this and SBC plans to restate prospectively as necessary..
10	SNET Ordering 1	During the months of August through December 2002, PM 1 intervals for WFM transactions were calculated using an incorrect timestamp.	WFM was first used by the CLECs beginning with November 2002 results. The Company agrees that for selected transactions, the start date and time was improperly used for both the start and end time. The Company has performed programming changes to correct the problem effective with May 2003 results published in June 2003. In addition, a materiality assessment will be performed for November 2002 results and November and December 2002 will be restated prospectively as necessary.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
11	SNET Ordering 1	During 2002, Mechanized Service Application ("MSAP") transactions were inappropriately excluded from the measure due to a computer program error.	Certain MSAP transactions were inadvertently excluded from FOC results due to a programming error. In order to post results, service orders are matched to a table containing access line Universal Service Ordering Codes (USOCs). During the course of the audit, the Company determined that additional valid USOCs needed to be incorporated into the table. The Company has initiated coding changes to correct the problem. In addition, the Company will perform a materiality assessment using October and November 2002 as test months and will restate results prospectively as necessary.
12	SBC West Ordering 1	<i>California Only</i> - January 2002 results did not reflect FOCs for certain valid service requests presented through the Exchange Access Control Tracking ("EXACT") system for UNE Unbundled Transport – DS1, UNE Unbundled Transport – DS3, and Interconnect Trunk data elements. This was due to a computer program code change which missed a small number of FOCs.	January 2002 results were restated in May 2002 to post the intervals for the FOCs that were not sent by utilizing Service Order Completion ("SOC") times. Due to a one-time problem that occurred in a feed from a website that the CLECs use, these transactions were never captured and a group of FOCs never got sent out prior to the completion of the order. When this problem was discovered it was determined that SBC would send out late SOCs and count the SOCs as the FOCs. The measurement was never reported incorrectly, the results were restated to reflect the SOC transactions.
13	SBC West Ordering 1	<i>California Only</i> - October 2002 results improperly included loop qualification time from the FOC interval on certain service requests.	October 2002 results were restated in December 2002 to exclude the loop qualification time from FOC interval on certain service requests.
14	SBC Midwest Ordering 1, 3, 4d	Certain valid LASR transactions were incorrectly excluded from PM results due to invalid ACNA/Company code values from April 2002 through December 2002.	Effective with January 2003 results reported in February 2003, the Company implemented new computer programming code to include the valid LASR transactions that were incorrectly excluded from the PM results because they did not contain a valid CLEC identifier. The transactions are not reportable to any particular CLEC but are reported in the aggregate results. The Company does not plan to restate previous months' results for this issue.
15	SNET Ordering 1,3, 4d	Several transactions from LASR and MSAP were excluded from the measure during 2002 in error due to a system dropping leading or embedded zeros causing a mismatch in the reporting system.	Computer program logic for performance measure reporting requires matching the service order number across various systems. The Company agrees that some orders could not be passed between reporting systems due to a system dropping leading or embedded zeros causing a mismatch in the reporting system. Since all transactions were subsequently

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			identified, this only had an effect on PM reporting, not on customer service. The Company has initiated coding changes to correct the problem. In addition, the Company will perform a materiality assessment using November 2002 as a test month and will restate results prospectively as necessary.
16	SBC West Ordering 1, 4d	Certain valid LASR transactions were incorrectly excluded from the April 2002 PM results due to unresolved computer program logic issues with the Plan of Record implementation.	April 2002 results were restated in June 2002. Due to issues with implementation of Plan of Record (POR) incomplete data was loaded in the DSS database for LASR data on April 5, 2002. As a result, transactions were understated for that date. Effective with May 2002 results reported in June 2002, the Company resolved the programming issues and began reporting LASR transactions. In another incident related to the POR conversion programming, LASR data for FCC measure 1 posted late but there was no change in the results reported.
17	SBC Midwest Preordering 2	For EDI LSOG 1 transactions, the Company improperly excluded certain address verification transactions that were not matched to living units or street addresses from January 2002 through August 2002.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to include certain address verification transactions that were not matched to living units or street addresses and restated January through August 2002 results in October 2002.
18	SBC Midwest Preordering 2	After the implementation of the LSOG 5 version of EDI ("LSOG 5") in April 2002, the Company improperly reported LSOG 5 transactions in which a request for a customer service record ("CSR") and directory listing was made as one combined request in the Verigate CSR submeasure from April 2002 through August 2002. However, this combined level of disaggregation was not listed in the business rules.	Effective with September 2002 results reported in October 2002, consistent with the Business rules the Company changed the computer program code to exclude the transactions where a combined request of customer service record and directory listing occurred and restated April through August 2002 results in October 2002.
19	SBC Midwest Preordering 2	After the implementation of LSOG 5 in April 2002, the Company improperly double-counted certain preorder queries in the reported results for the LSOG 4 customer service requests and telephone number submeasures only from April through June	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to properly count certain preorder queries for LSOG 4 customer service requests and telephone number submeasures and restated April through June 2002 results in October 2002.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
		2002.	
20	SBC Midwest Preordering 2	During January through September 2002, certain transactions were improperly excluded from the reported results due to an error in the computer program logic designed to identify duplicate transactions.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include rejected and timed out pre-order transactions in the numerators of PM 2, as well as include EDI LSOG 1 transactions in the reported results. In December 2002, the Company restated results for November 2001 through September 2002 to address the rejected and timed out pre-orders and March 2002 through September 2002 to include EDI LSOG 1 transactions.
21	SBC Midwest Preordering 2	LSOG 4 EDI/CORBA results for January through March 2002 were not calculated and reported until June 2002	January through March 2002 results were restated in June 2002 to reflect LSOG 4 EDI/CORBA results.
22	SNET Preorder 2	During August through December 2002, the Company was not reporting Verigate and EDI/CORBA loop qualifications – designs. These results should have been included in the “actual sent – design returned” disaggregation.	Effective with February 2003 results reported in March 2003, the Company implemented revised computer program logic to include these transactions. SBC plans to restate August 2002 through January 2003 prospectively as necessary. There was no remedy payment impact.
23	SBC West Preorder 2	For August 2002, CSR requests with greater than 50 working telephone numbers (WTNs) were not excluded from the measure, as specified by the business rules.	The file used for FCC 2 in August included protocol time that included the front and back end time for manual CSRs over 50 which are excluded per the business rules. The actual data for CSR’s over 50 was correctly excluded. This issue affected only the front and back end (Protocol) time. A decision was made not to repost for August 2002 because there was no affect to the CLECs (denominator did not change) and the effect on remedies was small and would have favored the Company. Reposting would have changed a miss to a hit. In September 2002, the CSRs greater than 50 were manually excluded.
24	SBC Midwest Ordering 3	Certain March 2002 transactions were incorrectly included in February 2002 results.	The inclusion of the March 2002 transactions in the February 2002 results was due to a temporary unavailability of the systems used to collect data from the source systems. The Company corrected this situation in March 2002 and results were restated in June 2002.
25	SBC Midwest Ordering 3	January through June 2002 results did not include orders considered to be “projects” in the denominator of PM 3. Seven “drop to	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include orders considered to be “projects” in the denominator of PM 3, as well as correctly report “drop to

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
		manual” error messages were incorrectly reported as failed flow-through transactions and some Mechanized Order Receipt (MOR) transactions were incorrectly excluded from PM due to incorrect program logic.	manual” error messages and correctly include MOR transactions. In September 2002, restatements were made for January 2002 through June 2002 results to include “projects” and March 2002 through June 2002 results to correctly report “drop to manual” error messages and MOR transactions.
26	SBC Midwest Ordering 3	Certain line sharing orders were improperly excluded from reported results for January through May 2002.	Effective with June 2002 results reported in July 2002, the Company implemented new computer program code to add a separate line sharing submeasure. These PMs were restated in connection with other issues in this report for January through May 2002 results in September 2002. This disaggregation is reported for informational purposes only.
27	SBC Midwest Ordering 3	Certain supplemental and cancelled orders had the ability to flow through the Company’s systems; however, the Company did not have the capability to identify and report this data for August and September 2002.	This issue refers to due date changes and cancellations that are designed to flow-through if the previous version of the local service request flowed through. LNP due date changes and cancellations became flow-through eligible for LSOR 5.01 requests in August 2002. Effective with October 2002 results reported on November 20, 2002, the Company implemented new computer programming code to properly report due date changes and cancellations in PM 3. Restatements for August 2002 are not possible because the additional computer programming code to capture data needed for these PMs was not completed. September 2002 results were restated in December 2002.
28	SNET Ordering 3	August through October 2002 results were incorrect as a result of incorrectly classifying certain service orders as flow-through eligible when they were not.	Effective with November 2002 results reported in December 2002, the Company changed the classification of the affected service orders from being eligible for flow-through to not being eligible for flow-through. August through October 2002 results were restated in December 2002.
29	SBC Midwest Provisioning 4a, 4b, 4c	Cancels for no fieldwork orders were not being captured and reported in the PMs for January through July 2002.	Effective with August 2002 data reported in September 2002, the Company implemented a computer program code change to report canceled orders that did not require field-work in the results of PMs 4a, 4b, and 4c.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status For the Described Exception
30	SBC Midwest Provisioning 4a, 4b, 4c, 5a, 5b, 5c, 6a, 6b, 6c, 6c.1, 7a, 7c, 8	The Company's matching logic did not capture the appropriate order date on orders (i.e. the last date an order was supplemented was captured instead of the original order date) between January 2002 and September 2002.	Effective with October 2002 results reported in November 2002, the Company changed the matching logic in a service order log file to consider supplemental orders (i.e. to capture the original order date instead of the last date when the order had a supplement). August and September 2002 results were restated in December 2002. June and July results were restated in February 2003. No restatement is planned for January through May 2002 results for this issue.
31	SBC Midwest Provisioning 4a, 4b, 5a, 5b, 6b Maintenance 11a, 11b, 11c, 12a, 12b, 13a,	January through July 2002 results did not report certain UNE-P and UNE Loop and Port transactions that were not identified due to a data entry error. These were a subset of all the UNE-P and UNE Loop and Port transactions reported.	Effective with August results reported in September 2002, new computer program code was implemented to include these UNE-P and UNE Loop transactions. January through July 2002 results were restated in October 2002.
32	SBC Midwest Provisioning 4a, 5a, 6a, 7a	The Company incorrectly reported certain internal orders as wholesale on split CLEC/ILEC accounts during 2002.	Effective with February 2003 results reported in March 2003, the Company implemented new computer program code to exclude internal orders correcting the CLEC account on a partial reverse migration. The Company does not plan to restate prior reported results due to this issue. Partial order activity on split CLEC/ILEC accounts comprise approximately 3% to 5% of total reverse migration orders. Removing this small volume of orders from the CLEC results is not expected to impact wholesale results.
33	SNET Provisioning 4a, 5a, 6a, 7a	September through December 2002 results were incorrect due to an error in the computer program logic utilized to report UNE-P measures.	Effective with January 2003 results reported in February 2003, the Company corrected the computer program logic utilized to report UNE-P measures. September through December 2002 results were restated in March 2003. There was no remedy payment impact.
34	SBC Midwest Provisioning 4b, 4c	Cancels were not being properly included in the results during January through August 2002. The Company was not including Ameritech caused cancels after the due date.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include cancels in the results of PMs 4b and 4c. These results for January through August 2002 were restated for field visit order activity in October and November 2002.
35	SBC Midwest Provisioning 4b, 4c, 5b, 5c,	April through June 2002 results did not include the correct data from LASR, which was excluded in error as a result of	Effective with July 2002 results reported in August 2002, new computer program code was implemented to include LASR data. Plain old telephone service ("POTS") PMs results for April, May, and June 2002

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	6b, 6c, 7b, 7c, 8	implementing LASR in April 2002.	were restated in August 2002. However, the restatement had an immaterial impact on reported results. Specials & UNE PMs results for May and June 2002 were restated in September 2002. Specials and UNE PM results for April 2002 were restated in October 2002.
36	SBC Midwest Provisioning 4b, 4c, 5b, 5c, 6b, 6c, 6c.1, 7b, 7c, 8, Maintenance 11b, 11c, 12b, 12c, 13b, 13c	Certain UNE and special products were classified as "unknown products" (i.e., products that have not been mapped to be reported in the PMs) and not reported in the PM results for the months of January through July 2002.	Effective with August 2002 results reported in September 2002, the computer product table was updated to include, when appropriate, the previously identified unknown products and a process was implemented to ensure that new products were included in the product table. January through July 2002 results were restated in September, October, and November 2002. Additionally July 2002 results were restated in October 2002 to include one additional data file from EXACT that had been reprocessed.
37	SBC Midwest Provisioning 4b, 5b, Maintenance 11b, 12b	A computer program coding error incorrectly excluded UNE Loop & Port-ISDN PRI records from May and June 2002 results.	Effective with July 2002 results reported in August 2002, the Company corrected the computer coding error that excluded UNE Loop & Port-ISDN PRI records and restated May and June 2002 results in October 2002.
38	SBC Midwest Provisioning 4c, 5c	February and March 2002 ILEC results were calculated in error. This affected the retail comparison for UNE BRI Loops only.	The Company restated February and March 2002 ILEC results in May 2002 to properly report the retail comparison for UNE BRI Loops.
39	SBC Midwest Provisioning 4c, 6c, 7c, 8	January and February 2002 results did not include all broadband line share orders.	The Company restated January through February 2002 results in July 2002 to implement revised computer program logic to capture all service order numbers associated with broadband line share orders.
40	SBC Midwest Provisioning 4c, 5c, 6c, 7c, 8 Maintenance 10b, 11c, 12c, 13c	Certain DSL retail and wholesale transactions were improperly classified as 8db loop transactions for January through June 2002 results.	Effective with July 2002 results reported in August 2002, the computer program code was updated to classify certain DSL affiliate and wholesale transactions as DSL, instead of 8db loop transactions. January through June 2002 results were restated in September, October, and November 2002. Additionally July 2002 results were restated in October 2002 to correct a computer program error in the criteria utilized to determine DSL line share provisioning orders.
41	SNET Provisioning 4c, 5c, 7c Maintenance	In January 2002, the Company incorrectly used BRI and PRI service as the retail comparison for BRI Loops With Test Access instead of only BRI type retail as required by	Effective with February 2002 results reported in March 2002, the Company implemented the correct retail comparison for PMs 4c, 5c, 7c, 11c, 12c, and 13c. Since the change would have favored the ILEC, January 2002 results were not restated.

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	11c, 12c, 13c	the business rules.	
42	SNET Ordering 4d	August 2002 results were incorrectly reported due to an error associated with computer program changes made to reflect implementation of the Plan of Record.	Effective with September 2002 results reported in October 2002, the Company corrected the computer program errors. August 2002 results were restated in October 2002.
43	SBC Midwest Provisioning 5b, 5c, Maintenance 10b, 11b, 11c, 12b, 12c, 13b, 13c	January 2002 results were incorrect due to a truncation of Michigan specials repair data.	The Company restated January 2002 results in April 2002 to correct an error that caused a truncation of Michigan specials repair data.
44	SBC Midwest Provisioning 5c	January 2002 results for one submeasure (lineshare) were calculated utilizing an incorrect installation interval. Only the affiliate data, which is used for the retail comparison, was affected.	The Company restated January 2002 results in July 2002 to properly adjust the line share interval from 10 to 30 days.
45	SBC West Provisioning 5c	<i>Nevada Only</i> - November 2002 results contained incorrect order counts for the retail and wholesale interconnection trunks data element.	November 2002 results were restated in January 2003 to correct order counts for the retail interconnection trunks data element. Data was mapped incorrectly and affected the denominator for a single data point. The numerator was not affected and still showed as zero, so there was no impact on the result and the measure was still a pass.
46	SBC West Provisioning 5c Maintenance 10b, 11c, 12b, 12c, 13c	<i>California Only</i> - May through July 2002 results improperly excluded certain trouble and analysis codes from reported results for Resale DS1, UNE loops, and their retail comparisons.	May through July 2002 results were restated in September 2002. Effective with August results reported in September 2002, the Company revised the computer program logic to use updated trouble and analysis codes in reporting PM results as part of a Company conversion to the use of uniform trouble and analysis codes. It was determined that several disposition codes needed to be added that had been previously excluded from both the wholesale UNE products and the retail analogs.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
47	SBC Midwest and SNET Provisioning 5c Maintenance 11c, 12c, 13c	The Company does not take allowed exclusions related to DSL loops greater than 12 thousand feet and when acceptance testing is available but not selected by the customer.	Effective with February 2003 results reported in March 2003, the Company implemented computer program changes to exclude DSL loops greater than 12 thousand feet and transactions where acceptance testing was available but not selected by the customer from the SBC Midwest results for these measures. The Company also pursued implementing these exclusions during 2002 at SNET. It was determined that for SNET, the DSL loop length exclusion is technically infeasible due to limitations with existing systems. The acceptance testing exclusion was implemented at SNET in third quarter 2003. No restatements are planned at this time since not applying these exclusions favored the CLECs.
48	SBC Midwest Provisioning 6a	The Company did not properly identify customer-requested due dates ("CDDD") during 2002. Instead of capturing the actual customer-requested due date, the Company-offered due date was utilized in the calculation when the requested due date was greater than or equal to the standard offered interval.	Effective with January 2003 results reported in February 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation, application date to CDDD. No restatements are planned at this time.
49	SBC West Provisioning 6a, 6b	<i>California Only</i> – August and September 2002 results contained an error regarding the fieldwork and no fieldwork classifications for the retail results on one data element in August and two data elements in September 2002.	August and September 2002 results were restated in November 2002 to adjust the fieldwork and no fieldwork classifications for the retail results. Due to a system problem, some retail Centrex and Business POTS orders were incorrectly classified as no field work ("NFW"). Additionally, data for Retail Centrex in August and Resale Business POTS NFW in September was reposted.
50	SBC Midwest Provisioning 6a, 6b, 6c, 6c.1, 8	The transaction indicator used to calculate the measured application date was not populated consistently for April through September 2002.	Effective with October 2002 results reported in November 2002, the Company implemented computer code to check a populated field to identify the source of the order for PMs 6a, 6b, 6c, 6c.1 and 8, except for line share disaggregations. August 2002 through September 2002 results were restated in December 2002. June and July 2002 results were restated in February 2003. No restatement is planned for April and May 2002 results.
51	SBC West Provisioning 6b	<i>California Only</i> - February 2002 results contained an incorrect classification of transactions between wholesale and retail for	February 2002 results were restated in May 2002 to revise the classification of an end user return transaction from wholesale to retail for the Resale Centrex – No Field Work data element. A service

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
		the Resale Centrex – No Field Work data element due to a manual error by a service representative.	representative's data entry error caused this one order to be included erroneously in the measure.
52	SBC Midwest Provisioning 6b, 6c, 7c, 8	The Company utilized the wrong field to determine the exclusion for customer-requested due dates in excess of the stated time period in the business rules between January 2002 and November 2002.	Effective with December 2002 results reported in January 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation, application date to CDDD. Effective with January 2003 results reported in February 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation for the DSL Lineshare disaggregation only. No restatements are planned at this time.
53	SBC Midwest Provisioning 6c	January and February 2002 results did not exclude certain DSL line share orders from the calculation.	The Company restated January and February 2002 results in July 2002 to exclude certain customer orders for DSL line share submeasures.
54	SBC Midwest Provisioning 6c, 6c.1, 8	During May and June 2002, the Company identified a problem with a source system utilized to identify LNP with loop orders, application date, and loop length which was not populated causing some Michigan Coordinated Hot Cut (CHC) and Frame Due Time (FDT) data to not be reported.	The Company corrected a previously identified problem with a source system utilized to identify LNP with loop orders and to correct the issue associated with the application date and loop length that was not populated. The Company restated May 2002 results in November 2002. June 2002 results were restated in February 2003. This issue only impacted Michigan results.
55	SBC Midwest Provisioning 6c, 8	During January through October 2002, certain orders involving the Facility Modification Order Database ("FMOD") were not properly identified as loops involving conditioning or were incorrectly identified as FMOD orders.	Effective with November 2002 data reported in December 2002, the Company implemented new computer program code that identified DSL no lineshare orders involving the FMOD database as loops involving conditioning. The Company restated June and July 2002 results in November 2002 and August and September 2002 results in December 2002. No restatement is planned for January through May 2002 results for this issue.
56	SBC Midwest Provisioning 7c	January 2002 results did not include missed due dates for facility reasons.	Effective with February 2002 results reported in March 2002, the Company implemented changes to properly include facility misses in the measure.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
57	SNET Provisioning 7c, 8	The Company did not exclude incremental days attributable to the CLEC (i.e. no access) after the initial Company caused delay although this exclusion is required by the business rules.	The Company is currently pursuing a methodology to implement this exclusion. However, this requires a system update that is scheduled for fourth quarter 2003. Not taking this exclusion favors the CLECs.
58	SBC Midwest Provisioning 8	During January 2002, the broadband line sharing disaggregation was not reported.	The Company restated January 2002 results in April 2002 to report the broadband line sharing disaggregation. This restatement affected affiliate data only.
59	SBC Midwest Provisioning 8	The Company did not take the allowed exclusions related to expedites (less than 3 days) due to system limitations.	Effective with February 2003 results reported in March 2003, the Company implemented a computer program code change to exclude expedites. No restatements are planned at this time since not taking the exclusion favors the CLECs.
60	SBC Midwest Maintenance 10a, 10b, 11a, 11b, 11c, 12a, 12b, 12c, 13b, 13c	A number of retail trouble reports were improperly classified as wholesale trouble reports.	July through September 2002 results were restated in December 2002 to report records on certain lines improperly classified as wholesale trouble reports as retail records. No restatements of March, April, and May 2002 are currently planned as correction of the issue would result in a lower wholesale trouble report rate than is currently reported.
61	SBC Midwest Maintenance 10a, 12a, 12c	March 2002 results did not include computer program logic to properly process certain disposition codes that required a dispatch.	March 2002 results were restated in May 2002 to include additional logic modifications for specific disposition code groups requiring a dispatch.
62	SBC Midwest Maintenance 10b, 11c, 12c, 13c	The Company improperly calculated the wholesale numerator during January through October 2002 for the line share submeasure. The Company only included trouble reports for the voice portion of the line and improperly excluded trouble reports related to the data portion of the line.	Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to include all troubles recorded for the high frequency portion of the loop ("HFPL"). July through October 2002 were restated in December 2002. June 2002 results were restated in February 2003. No restatement is planned for January through May 2002 results for this issue.
63	SBC Midwest Maintenance 10b, 12c	January through April 2002 retail comparisons for 8db loops and DSL line sharing did not exclude tickets processed through LMOS coded as no access or delayed maintenance from the reported results as required by the business rules.	Effective with May 2002 results reported in June 2002, new computer program code was implemented to exclude tickets processed through LMOS coded as no access or delayed maintenance. January through April 2002 results were restated in July 2002.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
64	SBC West Maintenance 11a	<i>California Only</i> - April 2002 results for Retail Residence POTS, Retail Business POTS, Retail Centrex, Resale Residence POTS, UNE Platform, UNE loop, UNE xDSL capable loop, UNE line sharing loop, and UNE Broadband line sharing loop data elements were incorrect due to the repeat flag being improperly set.	April 2002 results were restated in June 2002 to correct a data exclusion error caused by the improper setting of the repeat flag for Retail Residence POTS, Retail Business POTS, Retail Centrex, Resale Residence POTS, UNE Platform, UNE loop, UNE xDSL capable loop, and the UNE line-sharing loop, and UNE Broadband line sharing loop data elements. This manual process is being mechanized by the Decision Support System (DSS). This restatement resulted in changes to numerator and denominator but there was no change to the results reported.
65	SBC Midwest Maintenance 11b	February through March 2003 results did not use the correct criteria for measuring repeat intervals for the UNE Loop & Port submeasure. This issue affected Michigan only.	The Company restated February through March 2002 results in July 2002 to correct criteria for measuring the repeat interval for the UNE Loop & Port submeasure.
66	SBC West Maintenance 11c	<i>California Only</i> - January through February 2002 results contained an error resulting from a computer program logic issue that caused repeat trouble reports to be overstated for unbundled loop and line sharing data elements.	January through February 2002 results were restated in May 2002. Effective with March 2002 results reported in April 2002, the Company revised the computer program logic to properly report repeat trouble reports for unbundled loop and line sharing data elements.
67	SNET Maintenance 12a	The Company did not exclude customer premises equipment ("CPE") from results during 2002 although the exclusion is required by the business rules.	Effective with February 2003 results reported in March 2003, the Company excluded CPE from results. Prior results were not restated. There was no remedy payment impact.
68	SBC Midwest Maintenance 12a, 12b, 12c	The Company excluded trouble tickets in excess of 720 hours from results although this exclusion is not allowed by the business rules for January through September 2002.	Effective with October 2002 data reported in November 2002, the Company implemented new computer program code to include trouble tickets in excess of 720 hours in the results. January 2002 through September 2002 results were restated in December 2002.
69	SBC Midwest Maintenance 12c	The Company used an incorrect file to generate the retail comparison for PM12c for October 2002.	The Company restated October 2002 results in December 2002 to correct the data processing error.
70	SBC West Maintenance 12c	<i>California Only</i> - October 2002 results contained some trouble reports that should have been excluded.	October 2002 results were restated in December 2002 to properly exclude trouble reports. A clerical error occurred in processing that caused an xDSL trouble report belonging to one CLEC to be reported as an LNP trouble report for another CLEC. The restatement moved the measure

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status For the Described Exception</u>
			from a miss to a pass.
71	SBC Midwest Maintenance 13a, 13b, 13c	ISDN-Centrex line counts are excluded from the retail denominator of PMs 13a, 13b, and 13c for January through August 2002.	Effective with September 2002 data reported in October 2002, the Company implemented new computer program code to include retail ISDN-Centrex line counts in the denominator of PMs 13a, 13b, and 13c. January 2002 through August 2002 results were restated in December 2002.
72	SBC Midwest Maintenance 13b, 13c	For the denominators of PMs 13b and 13c, certain transactions with unknown products were not included in the denominator. Additionally, October 2002 results contained a data formatting issue in the denominator causing incorrect reporting of results.	Effective with December 2002 results reported in January 2003, the computer product table has been updated to include these products. The source systems feed is in summary format using the product table to create the denominators. The prior months' summaries do not contain the unknown products and thus the results cannot be restated.
73	SNET Maintenance 13c	January through August 2002 results contained an incorrect retail comparison to retail POTS Business instead of Retail POTS Residence and Business.	Effective with September 2002 results reported in October 2002, the Company properly reported the retail comparison as retail POTS Residence and Business. January through August 2002 results were restated in December 2002. This restatement had no impact on remedy calculations.
74	SBC West Maintenance 13c	<i>Nevada Only</i> - November 2002 results improperly excluded the UNE Loop 2-wire digital xDSL line sharing data element from reported results.	November 2002 results were restated in January 2003 to include the UNE Loop 2-wire digital xDSL line sharing data element in the reported results.
75	SBC West Maintenance 13c	<i>California Only</i> - January and February 2002 retail results for the UNE Loop data elements did not contain the appropriate dispatch and non-dispatch categories.	January and February 2002 results were restated in May 2002. Effective with March 2002 results reported in April 2002, the Company properly reported retail comparison for the UNE Loop data elements between dispatch and non-dispatch categories.
76	SBC Midwest Coordinated Hot Cuts 16	January through March 2002 results did not properly aggregate coordinated hot cut ("CHC") and frame due time ("FDT") data.	The Company restated January through March 2002 results in May 2002 to properly implement Version 2.0 of the business rules, which requires CHC and FDT to be aggregated for parity testing. The restated results were all in parity.
77	SNET Coordinated Hot Cuts 16	The PM16 population contained CHC records with blank completion date/time, which were included in the PM16 calculation. The population also inappropriately included FDT, 8dbs, and other non-CHC transactions, and	There were two issues found with this measure. The first was that the data collection process caused the Company to either double count some CHC results or include FDT and other non-LNP orders in the CHC database. The second was programming code that erroneously classified an I-37 miss code as a customer miss, thereby excluding those results

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status For the Described Exception
		excluded I-37s.	from the measure. Hot cuts that completed on-time were inadvertently excluded from the measure by the incorrect use of the I-37 code denoting work for informational reasons only. Correcting both errors resulted in no material impact on the results.
78	SNET Frame Due Time 16	Results for the months of May, July, September, October, and December 2002 data did not include transactions from the last day of the month.	There was an error in the data extraction process that excluded some data that was processed after the end of the month. This caused certain transactions at the end of the month to be excluded. This has been corrected as of June 2003. The Company's analysis shows the difference in results to be insignificant after including the missed data, and no change in the pass/fail. Since the impact on results is not material, SBC will not restate the results.
79	SBC Midwest Billing 18	During 2002, the Company did not report disaggregated results for EDI and BDT as required by the business rules	The EDI and BDT results were reported for the state equivalent PM and the results were 100%, so while the data was not properly disaggregated, it had no impact on parity attainment or failure.
80	SBC Midwest OSS Interface 19	Data provided for one system ("ARAF") for August 2002 was incorrect due a manual error resulting in the incorrect reporting of a miss by the Company.	The Company restated August 2002 results in December 2002 to correct a manual error, causing the measure to move from a miss to a make.
81	SBC Midwest OSS Interface 19	Data provided for one system ("EBTA") for June 2002 was incorrect due a manual error resulting in the incorrect reporting of a miss by the Company.	The Company restated June 2002 results in August 2002 to properly exclude system downtime, causing the measure to move from a miss to a make.
82	SBC Midwest OSS Interface 19	January 2002 results did not properly report downtime for the Webtoolbar system and EBTA. Webtoolbar downtime was incorrectly identified as EBTA downtime.	The Company restated January 2002 results in April 2002 to properly report downtime for the Webtoolbar and EBTA systems.
83	SBC Midwest, SBC West and SNET Various PMs	In January 2002, the Company did not report results when there were less than ten transactions during the month.	January 2002 results were republished in March 2002 when the Company began reporting all measures regardless of sample size. The FCC Staff provided guidance on February 6, 2002 directing SBC to publish results and perform statistical tests on measures with less than 10 observations. The FCC Staff provided a further clarification on February 26, 2002 (after January results were published) that the method was to be applied beginning with January 2002 results

Attachment B

- 1) **Provision of Collocation on Just, Reasonable and Nondiscriminatory Terms** - The Company provided, on terms and conditions that are just, reasonable, and nondiscriminatory, any technically feasible methods of obtaining interconnection or access to Unbundled Network Elements (UNEs) at a particular point upon a request by a telecommunications carrier.
- 2) **Previously Successful Methods of Obtaining Interconnection** - The Company did not deny any requests for interconnection or access to UNEs where the requesting carrier alleged that either the Company or another local exchange carrier had successfully deployed the arrangement. If such representation and deployment had occurred concerning a particular collocation arrangement in any incumbent LEC premises, the Company would have accepted such deployment as a rebuttable presumption that the arrangement was technically feasible, subject to validation of whether or not the arrangement was technically feasible at the point in the Company network where it was requested.
- 3) **Collocation Denials on the Basis of Space or Technical Reasons** - In cases where physical collocation of equipment necessary for interconnection or access to UNEs was not practical for technical reasons or because of space limitations, the Company offered virtual collocation where technically feasible. There was one virtual collocation request from an affiliate denied on the basis of space limitations. No support was filed with the state commission for this virtual collocation denial because the FCC's floor plan filing requirements relate to physical collocation requests, no dispute was raised at the state commission, and the state commission did not request support. If it were necessary to deny physical collocation for technical reasons or because of space limitations, the Company offered (through letters to the industry explaining the collocation procedures and via other methods) virtual or such other methods of collocation that are practical and feasible.

For collocation denials on the basis that physical collocation was not practical because of space limitations, the Company demonstrated to the state commissions in most states that collocation was not practical by submitting (subject to protective order) detailed floor plans of premises where the Company made such denials and claimed that physical collocation space was exhausted. The submitted floor plans showed the space, if any, that the Company or its affiliates had reserved for their own future use and the uses for which space had been reserved and the length of time of each reservation. In one instance that occurred prior to the Company's revision of its 13-state policy regarding floor plan submission in the second quarter of 2002, the Company did not submit a floor plan to the state commission. As noted in Attachment B to the 2001 Report of Management on Compliance with the Merger Conditions, the

Company revised its 13-state policy to require floor plans be submitted, within a reasonable period of time after denial, to state commissions (where no alternative requested in the CLEC's application could be met because of space limitation) whether or not a state commission requires floor plans to be filed or a dispute has been raised at the state commission, unless a current floor plan already has been submitted.

There were no denials of physical collocation requests on the basis of technical infeasibility during the Evaluation Period. For denials on the basis that collocation was not practical for technical reasons the Company would have submitted evidence in support of the denial to the state commission.

- 4) **Touring of Full Premises** - In cases where space for physical collocation was not available, the Company provided the opportunity for requesting carriers to tour the entire premises in question, not just the area in which space was denied, without charge, within ten days of the requesting carrier's receipt of the denial of space.
- 5) **Access to Collocation Space During Construction** - The Company allowed collocators access to their physical collocation spaces during construction.
- 6) **Interstate Tariff** - The Company provided expanded interconnection service pursuant to interstate tariff.
- 7) **Availability of Collocation Space** - The Company submitted to one requesting carrier, a report describing in detail the space that is available for collocation in three particular Company premises. This report specified the amount of collocation space available at each requested premises, the number of collocators, any modifications in the use of the space since the last report, and also included measures that the Company is taking to make additional space available for collocation. However, this space availability report was submitted in eleven days of the request rather than the required ten calendar days.
- 8) **Internet Posting of Full Premises** - Title 47 CFR 51.321(h) requires the Company to maintain a publicly available document, posted for viewing on the ILEC's publicly available Internet site, indicating all premises that are full, and to update such a document within ten days of the date at which a premises runs out of physical collocation space. No premises became exhausted during the Evaluation Period. For previously exhausted premises in which space became available during the Evaluation Period, the Company removed the offices from the Full Eligible Structure Report on the CLEC online Web Page within ten days of the date at which the space became available and there was no collocator waitlist.

When space became available in a previously exhausted premises with a collocator waitlist, SBC offered the newly available space to the collocators on the waitlist on a first-come, first-service basis. When SBC implemented this process, collocators on the waitlist were not removed until a positive response was received that they either

did or did not want the space, however SBC has since modified its Re-Opening Process. In the modified process the Company simultaneously notifies all collocators on a waitlist that space has become available and they have 10 days to respond that they still want the space they previously requested. If SBC does not receive a response from one or more collocators (or receives a response that the collocator(s) no longer want the space), those collocators are removed from the waitlist and after an additional 10 days the waitlist is processed in original order, using only the requests of collocators that affirmatively responded and indicated a desire for space. The process change allows SBC to clear the waitlist faster and re-open previously exhausted premises quicker.

- 9) **Removal of Obsolete Unused Equipment** - The Company was prepared to remove, upon reasonable request by a telecommunications carrier or upon the order of a state commission, obsolete unused equipment from its premises to increase the amount of space available for collocation. There were no requests for removal of obsolete, unused equipment received during the Evaluation Period.
- 10) **Collocation of Equipment that is Necessary to Interconnection** - The Company permitted the collocation and use of any equipment necessary for interconnection or access to UNEs. No equipment was denied placement during the Evaluation Period.
- 11) **Collocation Denials of Equipment on the Basis that the Requested Collocation of Equipment is not within the Scope of Section 251(c)(6)** - No equipment was denied placement during the Evaluation Period. Prior to the Evaluation Period, the Company did object to the placement of a stand-alone circuit switch, which was specifically excluded from collocation requirements per Part 51.323(c) of Title 47 of the Code of Federal Regulations as established and more fully described in the FCC's orders, and to the placement of a fiber termination panel. The Company has filed evidence proving that collocation of such equipment was not within the scope of the requirements of section 251(c)(6). These matters are still pending before the state commissions.
- 12) **Collocation Denials of Equipment on the Basis of Non-Discriminatory Safety or Engineering Standards** - The Company did not object to the collocation of equipment on the grounds that the equipment did not comply with safety or engineering standards that are more stringent than the safety or engineering standards that the Company applied to its own equipment.
- 13) **Collocation Denials of Equipment on the Basis of Performance Standards** - The Company did not object to the collocation of equipment on the grounds that the equipment failed to comply with Network Equipment and Building Specifications Performance Standards or any other performance standards.
- 14) **Collocation Denials of Equipment on the Basis of Safety Standards** - The Company did not deny collocation of a telecommunications carrier's equipment on the grounds that the equipment did not comply with safety standards.

- 15) **Fiber Interconnection Points** - The Company provided interconnection point or points, physically accessible by both the Company and requesting carriers, at which the fiber optic cable carrying an interconnector's circuits could enter the Company's premises, and the Company designated interconnection points as close as reasonably possible to the Company's premises.
- 16) **Two Fiber Entry Points** - The Company provided at least two interconnection points at which the fiber optic cable carrying an interconnector's circuits could enter the Company's premises at each Company premises at which there were at least two entry points for the Company's cable facilities, and at which there was space available for new facilities in at least two of those entry points.
- 17) **Copper or Coaxial Cable Interconnection** - The Company provided for interconnection of copper or coaxial cable, if such interconnection was first approved by the state commission.
- 18) **Microwave Transmission Facilities** - The Company permitted physical collocation of microwave transmission facilities, subject to technical feasibility and space availability. No such requests were received during the Evaluation Period, but the Company continued to permit the collocation of these facilities placed prior to the Evaluation Period.
- 19) **Provision of Virtual Collocation on Just, Reasonable and Nondiscriminatory Terms** - When virtual collocation was provided, the Company provided for the installation (normally, the collocater installed its own equipment), maintenance, and repair of the collocated equipment which, at a minimum, resulted in any installation, maintenance, and repair being performed within the same time periods and with failure rates that are no greater than those that apply to the performance of similar functions for comparable equipment of the Company itself or its Advanced Services affiliates.
- 20) **Provision of Collocation Space on First-Come, First-Served Basis** - The Company made space available to requesting telecommunications carriers, within or on its premises, on a first-come, first-served basis, provided, however, that the Company was not required to lease or construct additional space to provide for physical collocation when existing space was exhausted.
- 21) **Contiguous Space** - The Company, to the extent possible, made contiguous space available to requesting telecommunications carriers that sought to expand their existing collocation space.
- 22) **Renovations or New Construction** - When renovations of existing facilities were planned or when new facilities were constructed or leased, the Company took into account reasonably projected demand for collocation of equipment.

- 23) **Reservation of Floor Space** - The Company retained a limited amount of floor space for its own specific future uses, but did not reserve space for future use for itself or for its affiliates on terms more favorable than those that were applied to other telecommunications carriers seeking to reserve collocation space for their own future use.
- 24) **Relinquishing Space for Virtual Collocation** - The Company relinquished space held for future use before denying a request for virtual collocation on the grounds of space limitations.
- 25) **Warehousing of Collocation Space** – The Company continued its policy regarding the imposition of reasonable restrictions on the warehousing of unused space by collocating telecommunications carriers, but did not set maximum space limitations applicable to such carriers unless the Company proved to the state commission that space constraints made such restrictions necessary.
- 26) **Space Assignments in a Just, Reasonable, and Nondiscriminatory Manner** – The Company provided space for the collocation of equipment necessary for interconnection or access to UNEs in a just, reasonable, and nondiscriminatory manner. The Company allowed each carrier to submit space preferences prior to assigning physical collocation space to each carrier; however, no such preferences were received. The Company's space assignment policies and practices do not materially increase a requesting carrier's collocation costs, do not materially delay a requesting carrier occupation and use of the Company's premises, do not impair the quality of service or impose other limitations on the service a requesting carrier wishes to offer, and do not reduce unreasonably the total space available for physical collocation or preclude unreasonably physical collocation within the Company's premises.
- 27) **Transmission Facilities** - The Company permitted collocating telecommunications carriers to collocate equipment and connect such equipment to unbundled network transmission elements obtained from the Company, and did not require such telecommunications carriers to bring their own transmission facilities to the Company's premises in which they seek to collocate equipment.
- 28) **Connections Between Telecommunications Carriers** - The Company permitted collocating telecommunications carriers to interconnect their networks with those of other collocating telecommunications carriers at the Company's premises and to connect their collocated equipment to the collocated equipment of other telecommunications carriers within the same premises provided that the collocated equipment was also used for interconnection with the Company or for access to the Company's UNEs.
- 29) **Providing Connections Between Telecommunications Carriers** - The Company provided the connection between the equipment in the collocated spaces of two or more telecommunications carriers and permitted one or more of the collocating